GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3308
ANSWERED ON:12.05.2006
SHARES OF PSBS
Singh Shri Prabhunath;Subbarayan Shri K.

Will the Minister of FINANCE be pleased to state:

(a) whether the quantum of shares held by Foreign Institutional Investors in public/ private sector banks, instead of increasing, have continuously been decreasing day by day;

(b) if not, the present status of the quantum of shares held by FIIs in each of the said banks;

(c) whether RBI has further issued some guidelines to safeguard the interest of National Stock Exchange as well as Bombay Stock Exchange on the said subject;

(d) if so, the details thereof;

(e) whether a ceiling for FIIs has been fixed in public sector banks; and

(f) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): No, Sir. FIIs hold l,898,r2l,945 shares of public and private sector banks as on 31.03.2006 as against 789,340,406 shares held as on 31.01.2004. The bank-wise details of quantum of shares held by Foreign Institutional Investors (FIIs) in public and private sector banks as on 31.01.2004, 31.01.2005 and 31.03.2006 are at Annex.

(c) The Stock Exchanges in India come under the regulatory purview of the Securities and Exchange Board of India.

(d) Does not arise.

(e) & (f): The total Non-resident holdings in public sector banks including investment by FIIs is limited to 20% of paid up capital.